



BANK OF OKLAHOMA
MERCANTILE CENTER

RECEIVED
DATE 11/12/85
FEE \$ 20.00

November 1, 1985 CC Washington, D.C.

14831
REGISTRATION NO. _____ Filed 1425

NOV 12 1985 -3 15 PM
INTERSTATE COMMERCE COMMISSION

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NOV 12 1985 -3 15 PM
INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission
Twelfth Street and Constitution Avenue, N.W.
Washington, D.C. 20423
ATTN: Room 2303

To Whom It May Concern:

I am enclosing the following documents you require to file a security interest in railroad tank cars:

1. An original security agreement and financing statement with the names and addresses of the debtor and secured party involved.
2. A notarized copy of the security agreement with an exhibit attached to each document with the description and identifying numbers of the collateral.
3. A check for the filing fee of \$50.00.

Bank of Oklahoma, Mercantile Center, P.O. Box 1200, Tulsa, OK 74102 is requesting the registration of the railroad tank cars. If you should have any questions, please contact me.

Sincerely,

Michael P. Nash
Assistant Vice President
918-493-5212

jc

Enclosures

SECURITY AGREEMENT

DATE OF AGREEMENT

November 1, 1985

DEBTOR NAME AND ADDRESS

C.W. Brooks, Inc.
9632 S. Delaware Avenue, Suite 103
Tulsa, OK 74136

BANK NAME AND ADDRESS

Bank of Oklahoma, Mercantile Center
P.O. Box 1200
Tulsa, OK 74102

As of the Date indicated above, the undersigned Debtor and the undersigned Bank, with addresses as they appear herein, agree as follows:

I. Grant of a Security Interest. For value received, Debtor hereby grants to Bank a security interest in the property described in Paragraph II, which property is hereinafter referred to as "Collateral". This security interest is given to secure the obligations of Debtor to Bank, as more fully set forth in Paragraphs VI and VII hereof.

II. Collateral. The Collateral shall include the property described below, all additions, accessions and substitutions thereto and therefor, and all accessories, parts and equipment now or hereafter affixed thereto or used in connection therewith. The Collateral shall also include all similar property hereafter acquired other than consumer goods acquired more than ten days after the date of this Agreement. The Collateral shall in addition include the proceeds and products of the Collateral and all money and property owned by Debtor which is now or which hereafter may be possessed or controlled by Bank, whether by pledge, deposit or otherwise.

DESCRIPTION OF COLLATERAL

Eleven (11) Railroad Tank Cars
See attached exhibit

INDUSTRIAL NO. 14831 FRI 1425

NOV 12 1985 - 3 15 PM

INTERSTATE COMMERCE COMMISSION

III. Use and Ownership of Collateral. Debtor warrants that the Collateral is to be used primarily for one or more of the following purposes only:

- ☐ Personal, family or household purposes, ☐ Farming operations, or ☒ Business other than farming operations.

Debtor warrants that the Collateral is:

- ☐ Now owned solely by Debtor, or ☒ Being acquired solely by Debtor with the proceeds of loans secured by this Agreement.

IV. Address of Debtor. Debtor warrants that the address shown above is Debtor's residence, or if Debtor is a corporation or a partnership, that the above address is its principal place of business. Debtor agrees to notify Bank promptly of any change in address.

V. Location of Collateral. Debtor warrants that the location of the Collateral will not be changed except with the written prior consent of Bank, and that the Collateral is or promptly will be located as follows:

- ☐ At Debtor's address as shown above, or ☐ At the following address: _____

If Collateral includes a vehicle (or vehicles) covered by a certificate of title registration, Debtor warrants that the location of the Collateral indicated above is the place where the Collateral normally will be garaged, hangared, moored, or otherwise kept between uses. Debtor warrants said vehicle (or vehicles) is now or promptly will be registered and licensed as follows:

State of _____

If the Collateral includes "mobile equipment" not covered by a certificate of title registration (examples being some motor vehicles, trailers, airplanes, shipping containers, road building and construction machinery, commercial harvesters, oil rigs and such other mobile goods which are capable of being used in more than one jurisdiction whether or not Debtor intends to so use), Debtor warrants that the location of such Collateral as set forth above is the place where it will be normally stored when not in use.

If the Collateral is to become a fixture, Debtor warrants that it has not yet been affixed to any real property, and when it is, it will be affixed to real property having the following legal description: _____

VI. Obligations of Debtor Secured by this Agreement. The security interest herein granted is given to secure all of the obligations of Debtor to Bank including: A. The performance of all of the agreements, covenants and warranties of Debtor as set forth in this or any other agreement between the parties; B. All liabilities of Debtor to Bank of every kind and description including: (1) all future advances, (2) both direct and indirect liabilities, (3) liabilities due or to become due and whether absolute or contingent, and (4) liabilities now existing or hereafter arising and however evidenced; C. All extensions and renewals of liabilities for any term or terms; D. All interest due or to become due on the liabilities of Debtor to Bank; E. All expenditures by Bank for taxes and insurance on, repairs to and maintenance of Collateral; F. All expenditures by Bank involving the performance of or enforcement of any agreement, covenant or warranty provided for by this or any other agreement between the parties; and G. All costs, attorney's fees, and other expenditures of Bank in the collection and enforcement of any obligation or liability of Debtor to Bank and in the collection and enforcement of or realization upon any of the Collateral.

VII. Future Advances. It is specifically agreed that the obligations of Debtor secured by this Agreement include all future advances by Bank to Debtor as set forth in Paragraph VI above.

VIII. Additional Provisions. This Agreement is subject to Additional Provisions set forth on the reverse side hereof, the same being incorporated herein by reference.

BANK SIGNATURE

DEBTOR SIGNATURE

BANK OF OKLAHOMA, MERCANTILE CENTER

BANK NAME

By Michael P. Nash, Asst. Vice President

Form 709/RS-78 Motor Vehicles, Equipment and Consumer Goods

Name

Name

C.W. BROOKS, INC.

CORPORATION OR PARTNERSHIP NAME

By Carroll W. Brooks, President

Title

© Copyright 1978 American Bank Systems Inc.

STATE OF OKLAHOMA)

COUNTY OF TULSA)

I do hereby certify that this document is a true and correct copy of the original document.

Camille Boney
Notary Public

My commission expires:

February 9, 1986

ADDITIONAL PROVISIONS

DEBTOR EXPRESSLY WARRANTS, COVENANTS AND AGREES:

1. **Financial Information.** All loan applications, balance sheets, earnings statements, other financial information and other representations which have been, or may hereafter be, furnished to Bank to induce it to enter into or continue a financial transaction with Debtor fairly represent the financial condition of Debtor as of the date and for the period shown therein, and all other information, reports, documents, papers and data furnished to Bank are or shall be, at the time furnished, accurate and correct in all material respects and complete insofar as completeness may be necessary to give Bank a true and accurate knowledge of the subject matter. There has been no material change in the financial condition of Debtor since the effective date of the last furnished financial information which has not been reported to Bank in writing.

2. **Ownership Free of Encumbrances.** Except for the security interest granted hereby, Debtor now owns, or will use the proceeds of the advances hereunder to become the owner of, the Collateral free from any prior liens, security interests or encumbrances, and Debtor warrants title to and will defend the Collateral against all claims and demands of persons claiming any interest therein adverse to the Bank. Debtor will not permit any liens or security interests other than the Bank's security interest to attach to any of the Collateral, will not permit the Collateral to be levied upon, garnished or attached under any legal process, or permit any other thing to be done that may impair the value of the Collateral or the security interest afforded hereby.

3. **Furnishing of Information on Collateral.** Debtor will furnish Bank information adequate to identify with accuracy all Collateral in a form and substance and at times as may be requested by Bank. Debtor will also upon request deliver to Bank true copies of purchase orders, shipping and delivery receipts and invoices evidencing and describing the Collateral.

4. **Financing Statement.** No Financing Statement covering Collateral is on file in any public office. Debtor agrees to join with Bank in executing one or more Financing Statements, in form satisfactory to Bank, in order to perfect, or to continue perfection of the security interest of Bank which may arise hereunder.

5. **Residence, Use and Location.** Statements herein as to Debtor's address and as to location, possession and use of the Collateral are true. Debtor agrees immediately to notify Bank in writing of any proposed change in Debtor's address and to provide such notification prior to the proposed effective date thereof. Debtor will not permit any of the Collateral to be removed (except for normal use) from the location specified herein without the written consent of Bank.

6. **Sale, Lease or Disposition of Collateral Prohibited.** Debtor shall not sell, transfer, exchange, lease or otherwise dispose of the Collateral or any part thereof or the Debtor's rights therein without first obtaining the prior written consent of Bank. The consent of Bank may be conditioned upon any requirements, which the Bank deems to be for its protection; and it is understood and agreed that such consent will not be deemed to be effective unless and until such requirements and conditions have been fulfilled.

7. **Maintenance, Inspection and Records.** Debtor at its own expense shall keep the Collateral in good condition and repair, shall not permit it to be misused or abused or wasted or allowed to deteriorate except for the ordinary wear and tear of its intended primary use, shall prudently protect the Collateral from the elements, shall use the described property lawfully and not permit its illegal use or its use in a manner not permitted by the written insurance coverage. Debtor will at all times maintain accurate books and records covering the Collateral. Bank is hereby given the right and privilege of making such inspections of the Collateral and records thereof as it deems necessary and of auditing or causing an audit for verification of the books and records of the Debtor relating to the Collateral at any time and from time to time. Debtor agrees to assist Bank in every way necessary to facilitate such inspections, audits and verifications.

EVENTS OF DEFAULT:

Debtor shall be in default under this Agreement upon the happening of any one or more of the following events or conditions, herein called "Events of Default":

1. Any warranty, covenant, agreement, representation, financial information or statement made or furnished to Bank by or in behalf of Debtor to induce Bank to enter into this Agreement, or in conjunction therewith, is violated or proves to have been false in any material respect when made or furnished.

2. Any payment required hereunder or under any note or obligation of Debtor to this Bank or to others is not made when due or in accordance with terms of the applicable contract.

3. Debtor defaults in the performance of any covenant, obligation, warranty, or provision contained in any Loan Agreement or in any other note or obligation of Debtor to Bank or to others.

4. The occurrence of any event or condition which results in acceleration of the maturity of any obligation of Debtor to Bank or to others under any note, indenture, agreement, or undertaking.

REMEDIES:

Upon the occurrence of an Event of Default, and at any time thereafter, Bank may, at its option and without notice or demand to Debtor except as otherwise provided by law, exercise any and all rights and remedies provided by the Uniform Commercial Code of the state in which Bank is located, as well as all other rights and remedies possessed by Bank, including, but not limited to:

1. Declare all liabilities secured hereby immediately due and payable, and/or proceed to enforce payment and performance of all liabilities secured hereby, provided that, upon any prepayment in full of the unpaid balance of such liabilities, the Debtor shall be entitled to a rebate of any unearned portion of any finance or other charge in accordance with law.

2. Require Debtor to assemble Collateral or evidence thereof and make it available to Bank at any place designated by Bank which is reasonably convenient to both parties.

3. Repossess the Collateral, and for this purpose Bank is hereby granted authority to enter into and upon any premises on which Collateral or any part may be situated, and to remove it as a part of such repossession. Debtor also consents to the removal of any other personal property attached to or contained in the Collateral, to its retention by Bank until called for by Debtor and, if not called for within thirty (30) days, to its disposition in any manner by Bank.

4. Possess all books and records evidencing or pertaining to the Collateral, and for this purpose Bank is hereby given authority to enter into and upon any premises at which such books and records or any part of them may be situated, and to remove them.

5. Apply that portion of the Collateral consisting of cash or cash equivalent items such as checks, drafts or deposited funds against any liabilities of Debtor selected by Bank, and for this purpose Debtor agrees that cash or equivalents will be considered identical to cash proceeds. Bank shall have the right immediately and without further action by it to set off against the liabilities secured hereby, all money owed by Debtor, whether due or not due, and Bank shall be deemed to have exercised such right to set off and to have made a charge against such money at the time of any acceleration upon default even though such charges made are entered on the Bank's books subsequent thereto.

GENERAL:

1. **Waivers.** No act, delay, or omission, including Bank's waiver of remedy because of any default hereunder, shall constitute a waiver of any of Bank's rights and remedies under this Agreement or any other agreement between the parties. All rights and remedies of Bank are cumulative and may be exercised singularly or concurrently, and the exercise of any one or more remedies will not be a waiver of any other. No waiver, change, modification, or discharge of any of Bank's rights or of Debtor's duties as so specified or allowed will be effective unless in writing and signed by a duly authorized officer of Bank, and any such waiver will not be a bar to the exercise of any right or remedy on any subsequent default.

2. **Agreement Binding on Assigns.** This Agreement shall inure to the benefit of the successors and assigns of Bank and shall be binding upon the heirs, executors, administrators, successors and assigns of Debtor.

8. **Taxes.** Debtor shall promptly pay any and all taxes, assessments and license fees with respect to the Collateral or the use of the Collateral.

9. **Affixing to Real or Personal Property Prohibited.** Except as provided in Paragraph V hereof, Debtor shall not permit any of the Collateral to become an accession or affixed to other personal property or to become attached or affixed to real property without first obtaining prior written consent of Bank. The consent of Bank may be conditional upon any requirements (including, but not limited to, the subrogation of other interest owners in and to such other personal or real property to the rights and interest of Bank) which requirement Bank deems to be for its protection; and, it is understood and agreed that such consent will not be deemed to be effective until such conditions and requirements have been fulfilled.

10. **Adequate Insurance.** Debtor at its own expense shall insure Collateral with companies acceptable to Bank against such casualties and in such amounts as prudent and adequate to protect Bank or as Bank shall require. All insurance policies shall be written for benefit of Debtor and Bank as their interests appear and such policies or certified copies thereof evidencing same shall be furnished to Bank within ten days of date of this Agreement. All policies of insurance shall provide for at least ten days prior written notice of cancellation to Bank. Bank may act as attorney for Debtor in the procuring of insurance, in making, adjusting, and settling claims under or cancelling such insurance and in endorsing Debtor's name on any drafts or checks drawn by insurers of Collateral.

11. **Expenditures of Bank.** At its option and after any written notice to Debtor required by law, which notice Debtor and Bank hereby agree is sufficient if mailed, postage prepaid, to the address of Debtor provided for herein at least ten days before the commencement of the performance of the duties specified therein, it is agreed Bank may discharge taxes, liens, security interests or other encumbrances on the Collateral and may pay for the repair of any damage to the Collateral, for the maintenance and preservation thereof, and for insurance thereon. Debtor shall be liable for and agree to pay Bank for all expenditures of Bank for taxes on the Collateral, for the discharge of liens, security interests or other encumbrances on the Collateral, for the repair of any damage to Collateral, and for all costs, attorney's fees and other disbursements of Bank in connection with the foregoing. Debtor agrees promptly to reimburse Bank for all such expenditures and until such reimbursement the amounts of such expenditures shall be considered a liability of Debtor to Bank which is secured by this Agreement. In addition, Debtor shall be liable for and agree to pay Bank for all costs, attorney's fees and other disbursements of Bank as allowed by law or provided for herein in the enforcement or collection of any note, warranty, or liability of Debtor to Bank, or in the realization upon or the enforcement or collection of any account receivable, contract right, promissory note, chattel paper, instrument, document or other Collateral in which Bank has a security interest. Debtor agrees promptly to reimburse Bank for all such expenditures and until such reimbursement the amounts of such expenditures shall be considered a liability of Debtor to Bank which is secured by this Agreement.

12. **Right of Offset.** Any property, tangible or intangible, of Debtor in possession of Bank at any time during the term hereof, or any indebtedness due from Bank to Debtor and any deposit or credit balances due from Bank to Debtor, or any of the foregoing of any party hereto, is pledged to secure payment hereof and may at any time while the whole or any part of Debtor's indebtedness to Bank remains unpaid, whether before or after maturity thereof, be appropriated, held or applied toward the payment of any obligation of Debtor to Bank.

13. **Applicable Law.** The law of the jurisdiction where Bank is located shall control this Agreement.

5. The making of any levy against or seizure, garnishment or attachment of any Collateral, the consensual encumbrance thereof by Debtor, or the sale, lease or other disposition of Collateral by Debtor without the prior written consent of Bank as required elsewhere in this Agreement.

6. Loss, theft, substantial damage or destruction of Collateral.

7. When in the judgement of Bank the Collateral becomes unsatisfactory or insufficient in character or value, and upon request Debtor fails to provide additional Collateral as required by Bank.

8. Any time Bank in its sole discretion believes the prospect of payment or performance of any liability, covenant, warranty or obligation secured hereby is impaired.

9. The death, dissolution, termination of existence, or insolvency of Debtor, the appointment of a receiver over any part of Debtor's property or any part of the Collateral, an assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency law by or against Debtor or any guarantor or surety for Debtor.

6. Transfer any of the Collateral or evidence thereof into its own name or that of a nominee and receive the proceeds therefrom and hold the same as security for the liabilities of Debtor to Bank or apply it on or against any such liability. Bank may also demand, collect, receipt for, settle, compromise, adjust, sue for, foreclose, release, or realize upon Collateral, in its own name or in the name of the Debtor as Bank may determine.

7. Sell or otherwise dispose of the Collateral, unless Collateral in whole or part is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market. Bank will give Debtor reasonable notice of the time and place of any public sale, or of the time after which any private sale or other disposition is to be made. Any requirement of notice shall be met if notice mailed, postage prepaid, to the address of Debtor provided for herein at least ten days before sale or other disposition or action. Bank shall be entitled to, and Debtor shall be liable for, all reasonable costs and expenditures incurred in realizing on its security interest, including without limitation, court costs, fees for replevin bonds, storage, repossession costs, repair and preparation costs for sale, selling costs, and reasonable attorney's fees as set forth in any promissory note. All such costs shall be secured by the security interest in the Collateral covered herein.

8. Bank shall not be liable for failure to collect any account, enforce any contract right, or for any other act or omission on the part of Bank, its officers, agents or employees, except as the same constitutes a lack of good faith or failure to act in a commercially reasonable manner. Bank shall have acted in a commercially reasonable manner if its action or non-action is consistent with general banking usage in the area of Bank's location at the time the action or non-action occurs, but this standard shall not constitute disapproval of any procedures which may be otherwise reasonable under the circumstances nor require Bank to take necessary steps to preserve rights against prior parties in an instrument or chattel paper.

3. **Rights of Bank Assignable.** Bank at any time and at its option may pledge, transfer or assign its rights under this Agreement in whole or in part, and any pledge, transferee or assignee shall have all the rights of Bank as to the rights or parts thereof so pledged, transferred, or assigned.

4. **Joint and Several Responsibility of Debtor.** If more than one Debtor executes this Agreement, their responsibility hereunder shall be joint and several and the reference to Debtor herein shall be deemed to refer to each Debtor.

5. **Separability of Provisions.** If any provision of this Agreement shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

C.W. BROOKS, INC.

FINANCING EXHIBIT

ELEVEN (11) RAILROAD TANK CARS

Year Manufactured: 1967

Manufacturer: Union Tank Car

Identifying Numbers

AAR #21470-Part 2

CSNX #33-021
33-024

AAR #21470-Part 3 Revision A

CSNX #33-042 #33-034
33-047 33-036
33-049 33-039

AAR #21133-Part 2 Revision A

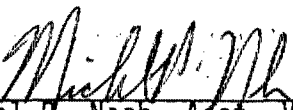
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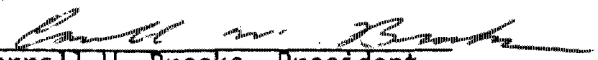
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CSNX #33-058
33-063

BANK OF OKLAHOMA, MERCANTILE CENTER

C.W. BROOKS, INC.


Michael P. Nash, Asst. Vice President

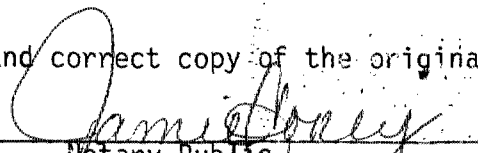

Carroll W. Brooks, President

STATE OF OKLAHOMA)

COUNTY OF TULSA) ss.

I do hereby certify that this document is a true and correct copy of the original document.

My commission expires: February 9, 1986


Notary Public